GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Infrastructure & Investment Department - Bringing State CCTV and DRTG Projects in to APSFL books of Accounts and Capitalization of the same - Orders - issued

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INFRASTRUCTURE AND INVESTMENNT (AIRPORTS) DEPARTMENT

G.O.Rt.No.47

Dated 24.07.2023.
Read the following:-

1. G.O.Rt.No.87, E, I&I Dept., dt:21-06-2017.
2. G.O.Rt.No.152 Energy, I&I (Airports) Dept. dt:15/11/2018.
3. From the MD, APSFL, e-file no.APSFL-13039(33)/1/2023-CGM-COOR-APSFL (Comp.No.1956991), dated 10.01.2023.
4. Govt., Lr.No.INI01-APFN/2/2023-Airports, Dated 25.06.2023.
5. From the MD, APSFL e-file no. APSFL-11/1/2023-ONE1-APSFL (Comp.No. 2001161), Dated 07.07.2023.

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ORDER:

In the G.O 1st read above, Government have accorded administrative sanction of Rs.959 crores towards implementations of the project and Rs.10 crores towards project monitoring and accordingly appointed M/s NCC-Matrix consortium as the project implementation agency (PIA) and M/s Ernst & Young (E&Y) as the project monitoring agency (PMA).

2. In the G.O 2nd read above, Orders were issued authorizing APSFL to take up the construction of 13 Nos of District RTG (Real time Governance) Centers and 1 Nos State level RTG Center.

3. In the reference 3rd above, the Managing Director, AP State FiberNet Limited (APSFL) has informed that till date the total cost of the State wide CCTV surveillance project including District RTG buildings is Rs.1,145.01 crores, the details are as follows :

Details	Project cost	Amount spent	Loan
CCTV Surveillance project	959.00	476.24	482.76
CCTV PMA	5.50	5.17	0.33
RTG project	178.15	73.50	104.65
TPA - RTG project	2.35	0.80	1.55
Total	**1,145.01**	**555.71**	**589.29**

4. To bring the infrastructure into APSFL books of accounts and to raise debt towards the balance project expenditure, the MD, APSFL has requested a detailed Government Order on the aspects indicated below:

i. APSFL shall capitalise the infrastructure of State CCTV and DRTG projects, by taking them into its books of accounts to the tune of the total Project cost and its respective incidental expenditure by following the due process. The amount received from Government of Andhra Pradesh for the project, till date is Rs.555.71 crs, which has to be regarded as equity contribution to the project from the Government, by allotting the requisite equity shares to Government of AP.

ii. The remaining expenditure for completion of the projects i.e around Rs.590 crores (mentioned in Table above) and additionally any other incidental expenditure and interest during construction, if applicable, may be met through project finance. The revenues from the project may be escrowed for the debt raised to finance the project.

iii. The user department will be specified by Government of Andhra Pradesh shortly which shall take the project assets on lease and such user department shall pay lease rentals which may be equivalent to the Cost of capital employed, depreciation of the asset and operation and maintenance expenditure pertaining to the project assets that APSFL is required to meet.

5. Government after careful examination hereby issue orders on the following:

i. APSFL shall capitalise the infrastructure of State CCTV and DRTG projects, by taking the same into its books of accounts to the tune of the total Project cost and its respective incidental expenditure by following the due process. The amount received from Government of Andhra Pradesh for the project, till date, is Rs.555.71 crs, which has to be regarded as equity contribution to the project from the Government, by allotting the requisite equity shares to Government of AP.

ii. The remaining expenditure for completion of the projects i.e., around Rs.590 crores (mentioned in Table above) and additionally any other incidental expenditure and interest during construction, if applicable, may be met through project finance. The revenues from the project may be escrowed for the debt raised to finance the project. Government cannot offer any budgetary support.

iii. APSFL shall lease the infrastructure to the designated user entity and shall ensure the lease rentals accruing to APSFL in consideration for the same must essentially cover the cost of capital employed, the operation and maintenance expenditure of the infrastructure leased and the depreciation cost of the asset.

6. The Managing Director, Andhra Pradesh State Fiber Net Limited shall take necessary action accordingly.

7. This order issues with the concurrence of the Finance Dept., U.O.No.FIN01-FMU0MISC/41/2023-FMU-IIEIC (Computer No.1972764), Dated 25.05.2023.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, Andhra Pradesh State Fiber Net Limited.

Copy to:
The P.S to Hon'ble Minister for I&I.
The P.S to Spl.C.S to Govt., I&I Department.
The Finance (FMU-I&I, Energy and I&C) Department.
(C.No.INI01-APFN/2/2023-Airports, Comp.No.1962432)

//Forwarded :: By Order//

SECTION OFFICER